Michael S. Fischman (MF 7245) mfischman@phillipsnizer.com Jeremy D. Richardson (JR 7706) jrichardson@phillipsnizer.com PHILLIPS NIZER LLP 666 Fifth Avenue New York, New York 10103-0084 (212) 977-9700 Attorneys for Plaintiff

Plaintiff,:

: Docket No. 07 CV 6445 GBD (HP)

CONVERSE, INC., KINWAY INDUSTRIES (U.S.A.) LTD., and CORBIS CORPORATION,

-against-

: BLOODROSE ENTERPRISES': REPLY TO THE COUNTERCLAIMS: OF CONVERSE INDUSTRIES and

: KINWAY INDUSTRIES

Defendants.: -----:

CONVERSE, INC., and KINWAY INDUSTRIES: (U.S.A.) LTD.,

Counterclaimants,:

-against-

BLOODROSE ENTERPRISES, INC.

Counterclaim Defendant.:

Bloodrose Enterprises, Inc. ("Bloodrose"), by its attorneys, Phillips Nizer LLP, for its reply to the counterclaims of defendants Converse, Inc. ("Converse"), and Kinway Industries (U.S.A.) LTD. ("Kinway"), states as follows:

- 1. With respect to paragraph 1 of the Counterclaims, admit that defendants Converse and Kinway seek declaratory relief but denies that there is any merit to the defendants' implication that Bloodrose's copyright registration is not valid.
- 2. Denies having knowledge or information sufficient to form a belief as to the allegations set forth in paragraph 2 of the Counterclaims and on that basis denies same.
- 3. Denies having knowledge or information sufficient to form a belief as to the allegations set forth in paragraph 3 of the Counterclaims and on that basis denies same.
- 4. Admits the allegations set forth in paragraph 4 of the Counterclaims.
- 5. Admits the allegations set forth in paragraph 5 of the Counterclaims although denies that there is any merit to the defendants' claim of non-infringement and invalidity.
- 6. Admits the allegations set forth in paragraph 6 of the Counterclaims.
- 7. Admits the allegations set forth in paragraph 7 of the Counterclaims.
- 8. With respect to paragraph 8 of the Counterclaims, incorporate by reference its responses to paragraphs 1-7.
- 9. Admits the allegations set forth in paragraph 9 of the Counterclaims.
- 10. Denies the allegations set forth in paragraph 10 of the Counterclaims.
- 11. Denies the allegations set forth in paragraph 11 of the Counterclaims.
- 12. Denies the allegations set forth in paragraph 12 of the Counterclaims.
- 13. With respect to paragraph 13 of the Counterclaims, incorporate by reference its responses to paragraphs 1-12.
- 14. Denies the allegations set forth in paragraph 14 of the Counterclaims.

- 15. Denies the allegations set forth in paragraph 15 of the Counterclaims.
- 16. Denies the allegations set forth in paragraph 16 of the Counterclaims.
- 17. Denies the allegations set forth in paragraph 17 of the Counterclaims.
- 18. Denies the allegations set forth in paragraph 18 of the Counterclaims.
- 19. Denies the allegations set forth in paragraph 19 of the Counterclaims.

FIRST AFFIRMATIVE DEFENSE

20. The counterclaims fail to state any cause of action up which relief may be granted.

SECOND AFFIRMATIVE DEFENSE

21. Bloodrose's copyright is valid and enforceable and the defendants have infringed the copyrighted design.

WHEREFORE, Bloodrose Enterprises, Inc., respectfully requests as follows:

- (a) That Counterclaimants' Counterclaims be dismissed in their entirety; and
- (b) that Bloodrose be entitled to such other and further relief as the Court may deem just and equitable under the circumstances.

Dated: New York, New York September 19, 2007

PHILLIPS NIZER LLP

By: s/ Michael S. Fischman
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Jeremy D. Richardson (JR 7706)
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CERTIFICATE OF SERVICE

I hereby certify that on September 19, 2007 I electronically filed the foregoing with the Clerk of the Court for the United States District Court for the Southern District of New York using the CM/ECF system which will send an e-mail notice of electronic filing to the following:

Paul Wendell Garrity, Esq. Kelley Drye & Warren LLP 101 Park Avenue New York 10178-0002

Jeffrey Len Loop, Esq. Dorsey & Whitney LLP 250 Park Avenue New York, New York 10177-1500

s/ Jeremy D. Richardson (JR 7706)